

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 405 - SB 1106

March 10, 2013

**SUMMARY OF BILL:** Authorizes municipalities and counties to convey property suitable for a community garden to a private non-profit entity, provided the non-profit entity is a certified 501(c)(3) entity pursuant to the Internal Revenue Code, and is qualified to operate and maintain a community garden. Such conveyance of property shall be on any terms deemed appropriate by the local government, including donation, and ownership of the property shall revert to the municipality or county if the non-profit entity ceases to operate and maintain a community garden on the property.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – To the extent any local government property is conveyed to a non-profit entity for the purpose of a community garden, the conveying local government may realize a reduction in maintenance expenditures. Further, if such property would have been sold or leased to a private party in absence of the bill, the conveying local government will incur forgone revenue. The extent of any forgone local revenue is unknown and would be dependent upon multiple unknown factors. Otherwise, the fiscal impact to local government is estimated to be not significant.**

Assumptions:

- The bill does not impact state government.
- The fiscal impact of this bill to local government is dependent upon several unknown factors such as the extent to which local governments will convey property to non-profits for the stated purpose, the value of any property conveyed, what any conveyed property would have been utilized for in the absence of the bill, the terms and conditions of conveyance between any local government and a non-profit entity, and the timing of conveyance.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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